External Engagement Plan

Grid Innovation Fund

Introduction

The <u>Grid Innovation Fund (GIF)</u> advances innovative opportunities to achieve electricity bill savings for Ontario ratepayers by funding projects that either enable customers to better manage their energy consumption or that reduce the costs associated with maintaining reliable operation of the province's grid. The GIF makes investments in specific projects – not companies – with clear objectives. It supports projects that validate the performance and business case of promising new technologies, practices, and services. The GIF also supports projects that identify and mitigate market barriers, or otherwise accelerate the adoption of competitive cost-effective energy solutions.

On June 12, 2025, the Minister of Energy and Mines released the Integrated Energy Plan — <u>Energy for Generations: Ontario's Integrated Plan to Power the Strongest Economy in the GZ</u> — along with an <u>implementation directive</u> that outlines several initiatives for the IESO to lead. One such initiative calls on the IESO to work with the Ministry to review the GIF to enhance governance and determine future innovation-focused funding, including identifying barriers to the commercialization, market integration and/or community adoption (including Indigenous and remote communities) of Distributed Energy Resources (DER) that could be explored with the support of the GIF.

This engagement plan outlines the objectives, approach, timeline and considerations for *phase one* of engaging with stakeholders to obtain perspectives from across the sector to help inform the review of, and resulting recommendations for, enhancing the GIF governance. External input is required to ensure the review and resulting recommendations for enhancing GIF governance are informed by diverse experiences, operational realities, and emerging needs.

Additional engagement activities will take place in *phase two* to seek input on potential themes for future GIF calls, and this engagement plan will be updated once the approach is determined.

All comments and enquiries on this engagement can be directed to engagement@ieso.ca.

IESO Objectives

The objectives of phase one of this engagement are:

To ensure that stakeholders understand the purpose of this initiative;



- To understand how the sector views the innovation ecosystem in Ontario and what is needed to support innovation in the sector;
- To understand potential limitations with the existing GIF governance framework (e.g. funding models, budget, mandate, project eligibility) and seek input on potential enhancements to the governance framework that will help support innovation in the province.

Stakeholders and Communities

The IESO encourages all interested parties to participate in this engagement through the public engagement activities described in the Approach section below. The IESO anticipates that this initiative will be of particular interest to past and prospective GIF applicants, Local Distribution Companies (LDCs), tech providers, consulting firms, industry and public sector organizations, municipalities, and academia.

Approach

This engagement plan will be implemented in accordance with the IESO's <u>External Relations</u> <u>Engagement Framework</u>, and is designed with the intention to achieve these objectives for stakeholders and communities: inform and involve.

This is a public engagement process, and all materials will be posted on the Grid Innovation Fund engagement webpage and feedback provided by stakeholders and/or communities will be posted (with their consent).

The IESO will use the following tactics for this engagement:

- Engagement roundtable webinars
- Written feedback

The engagement roundtable webinars will be facilitated discussions with participants encouraged to share their perspectives on what innovation should mean to the IESO, whether we need to reframe how we view it, potential limitations with the existing GIF governance framework, and potential enhancements that could help support innovation in the province.

Additionally, work is currently underway to review lessons learned from operating the fund and identifying limitations of administering the fund with the current governance. In parallel, key learnings from jurisdictional scans and recommendations from third-party evaluations are being reviewed. Finally, the IESO will be having focused discussions with other innovation fund operators.

Proposed Engagement Schedule

Anticipated timing for phase one governance engagement is presented below.

Timing	Engagement Activity
December 9, 10, and 11, 2025	Engagement roundtable webinars
December 24, 2025	Deadline to submit written feedback

Timing	Engagement Activity
February 2026	IESO to post roundtable discussion summaries
May 31, 2026	IESO report back to Ministry of Energy and Mines

Additional Background and Resources

Minister of Energy and Mines' Integrated Energy Plan Implementation Directive for the IESO

Energy for Generations: Ontario's Integrated Plan to Power the Strongest Economy in the G7

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